



**Date:** October 6, 2015

**To:** Thomas J. Bonfield, City Manager  
**Through:** Keith Chadwell, Deputy City Manager  
**From:** Reginald J. Johnson, Director  
Department of Community Development  
**Subject:** HOPWA Contract with Duke University

### **Executive Summary**

In December 2014 the City of Durham was notified by the U.S. Department of Housing and Urban Development (HUD) that the Durham/Chapel Hill Eligible Metropolitan Statistical Area (EMSA) had met the threshold of being designated as a formula entitlement community to receive federal Housing Opportunities for Persons With AIDS (HOPWA) funding. The Durham/Chapel Hill Metropolitan Area became eligible to receive a direct allocation as a HOPWA EMSA because the area surpassed the statutory threshold of 1,500 cumulative cases of AIDS and has a population of more than 500,000. As the most populous city within the Durham – Chapel Hill Metropolitan Area, Durham qualifies as the grantee for these HOPWA formula funds. In using these resources, the grantee is required to serve eligible persons living anywhere within the EMSA. In response, the Department of Community Development explored options for management and uses of HOPWA funding. After review, it was decided in the short term to maintain services for existing HOPWA clients in the EMSA through Duke University School of Medicine, who had been receiving HOPWA funding as a pass-through from the North Carolina Department of Health and Human Services. Under federal HOPWA regulations (Part 574.3) "The selection of project sponsors is not subject to the procurement requirements of 24 CFR 85.36." A six-month \$140,663.00 Contract has been negotiated with Duke University to continue providing eligible services from January, 2016 through June 30, 2016.

### **Recommendation**

The Department of Community Development recommends that City Council:

1. Approve the selection of Duke University as a sole source Program Sponsor for the City of Durham.
2. Authorize the City Manager to execute a six-month Contract with Duke University in the amount of \$140,663.00.

### **Background**

Durham, NC was determined by HUD to be a new formula jurisdiction for FY 2015. Durham is now among 138 jurisdictions qualifying for HOPWA formula allocations that include 97 Eligible Metropolitan Statistical Areas (EMSA). The Durham/Chapel

Hill EMSA was allocated \$282,910.00 for FY 2015. The Durham/Chapel Hill EMSA includes Durham, Orange, Person and Chatham Counties. The City of Durham's 2015 – 2020 Consolidated Plan identifies the City of Durham as the administrator of HOPWA funding through the Department of Community Development.

The Consolidated Plan in noting the needs of the HIV/AIDS population states that as of 2013, the NC Dept. of Health and Human Services' HIV/STD Surveillance Report identified 1,565 HIV infection (HIV/AIDS) cases living in Durham County as of 12/31/2013. Durham County has the 4<sup>th</sup> highest average rate of HIV infection in the State from 2011-2013 at a rate 26%. There were 534 AIDS cases as of 12/31/2013 living in Durham County. The Con Plan states there is a need for supportive services and affordable housing.

### **Issues/Analysis**

HOPWA funding is intentionally focused on housing. A Duke University School of Medicine program, Partners In Caring, has been serving HIV/AIDS clients in an eight county geographic area called District Six using HOPWA funding administered through the NC Dept. of Health and Human Services. That program offers households a variety of housing supports including Short Term Mortgage, Rent, and Utility (STRMU) payments to prevent homelessness and maintain housing stability; Tenant Based Rental Assistance (TBRA) in partnership with the Durham Housing Authority to assist households with an HIV/AIDS member establish more permanent housing; Resource Identification (RI) to make persons with HIV/AIDS aware of housing options, and Supportive Services and case management to help clients stay connected with health and employment opportunities. STRMU support is limited to not more than 21 weeks in a year, and TBRA vouchers allow a household more time to located and qualify for longer-term affordable housing. HOPWA assistance is targeted to households below 80% of the Area Median income.

Duke University can provide additional services to HIV/AIDS clients through other leveraged funding, including Ryan White funding.

Because notification of HOPWA funding came in the middle of the Annual Action Plan application process, a decision was made to maintain services through a sole source contract with Duke University for a period of six months. In the meantime, the Department of Community Development will be afforded the opportunity time to receive HUD provided technical assistance to learn more about HOPWA program administration and the federal regulations that govern the program. HOPWA regulations condition the use of funds to a three-year period of performance that starts when the HUD grant approval and agreement is signed, and ends three years thereafter. The HOPWA allocation allows the City of Durham to retain 3% of the award to administer the program.

### **Alternatives**

If the Contract is not approved by Council, it would be necessary to request the State to continue to administer these HUD HOPWA funds for the EMSA.

**Financial Impact**

Not applicable. The funds are federal in nature with no matching funds requirement. The City will receive 3% of HOPWA awards to help administer the program.

**SDBE Summary**

Not applicable

**Attachment:** Contract with Duke University and two attachments; a six-month budget and Scope of Work.